

Also, in North Carolina state employees who have been deployed receive the difference in pay between their military and state pay, and there is a state tax exemption for pay when in a combat zone.

The military sector contributes more than \$18 billion to North Carolina's economy each year. In addition to the National Guard and Reserve, North Carolina is home to six major military installations and the Coast Guard Station in Elizabeth City, which is now under the U.S. Department of Homeland Security. North Carolina is also home to more than 772,000 veterans and 74,000 military retirees.

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